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Jokowi's Palapa Ring sees Indonesia fully digitally connected

By Stella-Maris Ewudolu on October 25, 2019

Indonesia has officially inaugurated its 'Palapa Ring' Internet superhighway connecting the capitals of 514 districts and cities across Indonesia.

Completed in August this year at a cost IDR21.6 trillion (about US\$1.5 bln), the 13,000 kilometre (8,080 miles) Palapa Ring network traverses every Indonesian district from Sabang in the west, to Merauke in the east, and from Miangas in the north to Rote in the south.

Designed to bring broadband internet access to some 5.8 million people in 57 cities and regencies, the network comprises 12,148 kilometres of fibre optic cable and 55 microwave link hops.

Describing the project as a "highway in the sky" during its inauguration, President Joko Widodo said the Palapa Ring is expected to "bring justice to all Indonesian citizens... while "strengthening trade and connecting small and medium enterprises (SMEs) to local and global markets".

Constructed in three phases, the Palapa Ring is the first Indonesian public private partnership (PPP) project to be constructed using the Availability Payment (AP) model.

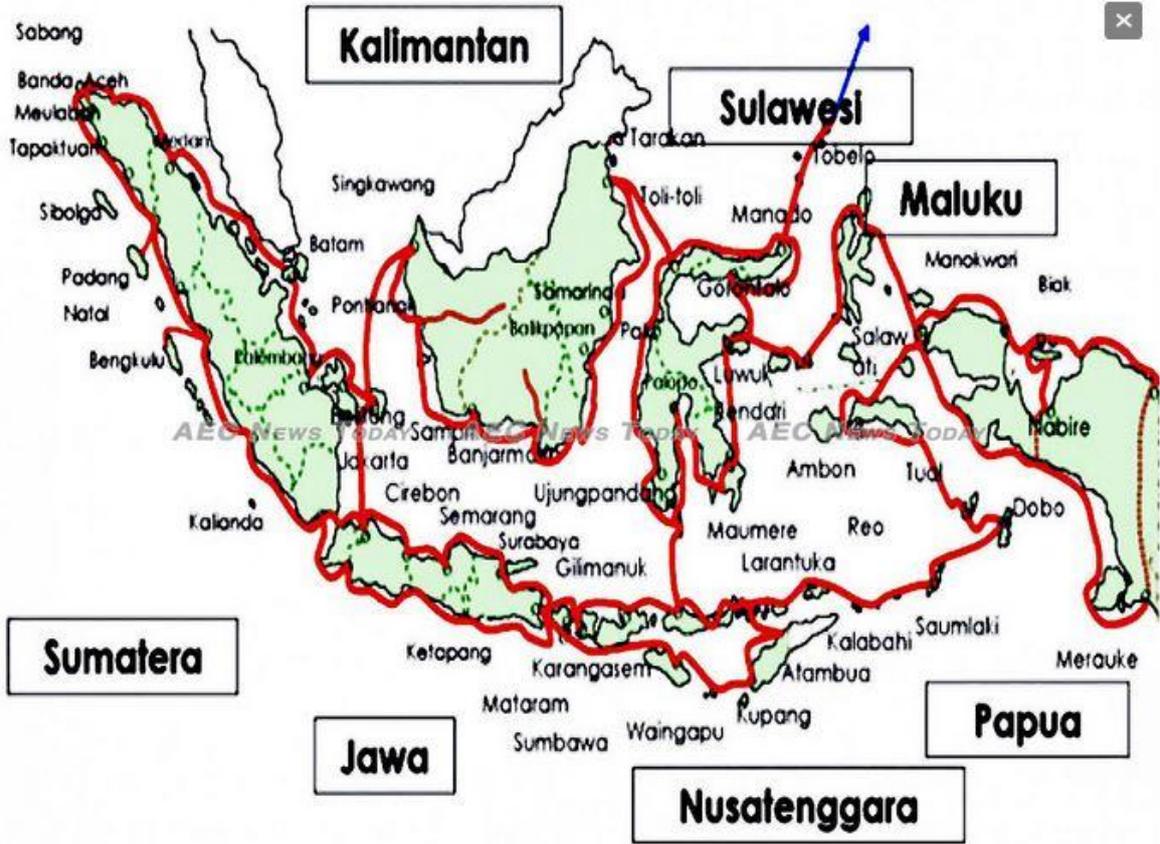
Work on the western region (Palapa Ring Barat) was completed in March 2018 and this was connected to the central region's network that was finished early this year. Both have been in operation since last year.

Interconnecting rings complete

The October 14 launch of the east Palapa Ring, or Palapa Ring Timur, signals completion of the broadband component with 30 regencies in Papua and 42 regencies in West Papua, becoming connected. An additional 4,000 base transceiver station (BTS) towers will be constructed by the end of next year to improve internet coverage in remote areas.

With just 171.17 million internet users in 2018, according to the Indonesian Internet Providers Association (APJII), user penetration represents only about 65 per cent of Indonesia's 264 million population. The lowest internet penetration rate in Southeast Asia.

Indonesia has historically recorded horrible internet speeds, particularly in remote areas where internet connection has been patchy or non-existent. According to Seedtest.net, Indonesia ranked 122nd in the world for mobile internet speed and 112th for fixed broadband speeds in September 2019. At 200 megabits per second (Mbps), Indonesian internet is the slowest in the region, faster only than Cambodia.



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Despite the painfully slow speeds Indonesia’s internet economy is booming. Since 2015 the internet economy has more than quadrupled, experiencing annual growth of about 49 per cent a year.

A report by tech giant, Google and Singaporean holding company Temasek forecasts Indonesia’s internet economy to top \$130 billion by 2025, while a 2018 McKinsey report found that Indonesia’s digital economy had the potential to generate 3.7 million new jobs in the same time period.

The name ‘Palapa’ (fruits of labour) was originally termed by former president Suharto and applied to Indonesia’s first two satellites in 1975 as part of plans to unify the telecommunications of the nation. President Widodo’s Palapa Ring continues this tradition.

Source: <https://aecnewstoday.com/2019/jokowis-palapa-ring-sees-indonesia-fully-digitally-connected>